

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

August 12, 2016

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

PSF No. 16OD-073

OAHU

Request Consent to Sublease General Lease No. S-5805, Waikiki Community Center, as Sublessor, to Hawaii LGBT Legacy Foundation, as Sublessee, Waikiki, Honolulu, Oahu, Tax Map Key: (1) 2-6-025:008.

APPLICANT:

Waikiki Community Center, as Sublessor, to Hawaii LGBT Legacy Foundation, as Sublessee, both domestic nonprofit corporations.

LEGAL REFERENCE:

Section 171-36(a)(6), Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands situated at Waikiki, Honolulu, Oahu, identified by Tax Map Key: (1) 2-6-025:008, as shown on the map attached as **Exhibit 1**.

AREA:

1.56 acres, more or less.

SUBLEASE AREA:

763 square feet.

TRUST LAND STATUS:

Non-ceded; acquired after Statehood.
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: No

MASTER LEASE CHARACTER OF USE:

Youth, education and multi-service community center to house human services and

community activities purposes.

SUBLEASE CHARACTER OF USE:

To provide office, meeting and reference center purposes

TERM OF MASTER LEASE:

30 years, commencing on April 1, 2007 and expiring on March 31, 2037. Next rental reopening is scheduled for April 1, 2017.

TERM OF SUBLEASE:

11/1/2016 to 10/31/2019

MASTER LEASE ANNUAL RENTAL:

\$156.00

SUBLEASE MONTHLY RENTAL:

\$1,045

RECOMMENDED ADJUSTMENT TO MASTER LEASE RENTAL:

None, based upon a deficit net income amount of -\$3,431.55 as of May 2016.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with Hawaii Administrative Rule Sections 11-200-8(a) (1) and the Exemption List for the Department of Land and Natural Resources approved by the Environmental Council and dated June 5, 2015, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1, that states "Operations, repairs or maintenance of existing structures, facilities, equipment, or topographical features, involving negligible or no expansion or change of use beyond that previously existing". See "Exemption Notification" attached as **Exhibit 2**.

DCCA VERIFICATION:

SUBLESSOR:

Place of business registration confirmed:	YES <u>x</u>	NO <u> </u>
Registered business name confirmed:	YES <u>x</u>	NO <u> </u>
Good standing confirmed:	YES <u>x</u>	NO <u> </u>

SUBLESSEE:

Place of business registration confirmed:	YES <u>x</u>	NO <u> </u>
Registered business name confirmed:	YES <u>x</u>	NO <u> </u>
Good standing confirmed:	YES <u>x</u>	NO <u> </u>

REMARKS:

Waikiki Community Center (WCC) requests the Board's consent to sublease General Lease No. S-5805 to Hawaii LGBT Legacy Foundation (LGBT). The current sublease between WCC and LGBT will expire on October 31, 2016. To further extend the term of the current sublease period, WCC executed an additional sublease with LGBT to become effective starting from: November 1, 2016 until October 31, 2019. As such, the Board's approval for the consent to sublease is requested.

Since 1982, WCC has been the lessee for the subject property to serve community service purposes located upon State land. In the year 2007, the Board authorized the issuance of a new thirty (30) year lease to WCC for the same purposes as cited above, under the subject General Lease No. S-5805.

Based upon WCC's most current revenue and expense report as of May 2016, staff noted a deficit net income amount of: -\$3,431.55. Within the report, rental income payments to WCC were taken into account and reported as revenue. As such, staff believes that no adjustment(s) to the master lease rent payment amount is warranted at this time for WCC to pay [i.e. sandwich rent]. The revenue and expense report has been filed for reference purposes.

WCC is currently in compliance with the terms and conditions of the subject master lease. The subject property will continue to serve community service purposes, and would involve negligible or no expansion or change in use of the subject area beyond that previously existing.

There are no issues regarding any rental reopening, as the next reopening will not occur until the year 2017. Staff has no objection to the request.

The Department of Planning and Permitting had no comments to state regarding the subject request.

At the time of the writing of this report, the Department of Health and the Department of Education had not responded to staff's request to review and comment on the subject request.

RECOMMENDATION: That the Board

1. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS/ Hawaii Administrative Rule Sections 11-200-8(a)(1)

and the Exemption List for the Department of Land and Natural Resources approved by the Environmental Council and dated June 5, 2015, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.

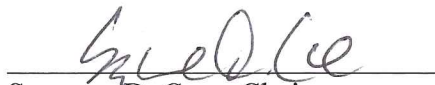
2. Consent to the sublease of General Lease No. S-5805 between Waikiki Community Center, named as Sublessor, to Hawaii LGBT Legacy Foundation, named as its Sublessee, subject to any applicable conditions cited above which are by this reference incorporated herein and further subject to the following terms and conditions:
 - A. The standard terms and conditions of the most current consent to sublease form, as may be amended from time to time;
 - B. Review and approval by the Department of the Attorney General; and
 - C. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

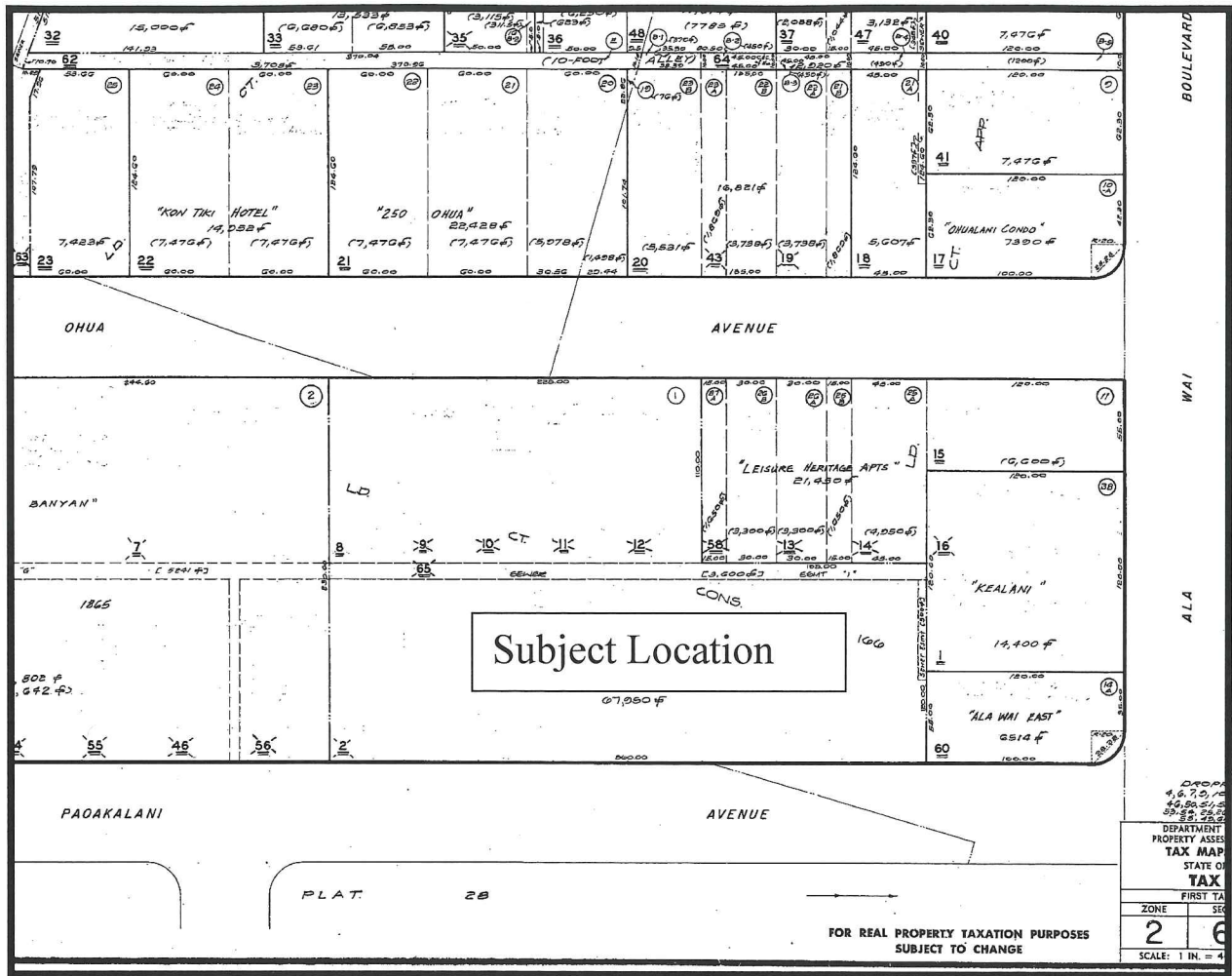
Respectfully Submitted,



Timmy Chee
Land Agent

APPROVED FOR SUBMITTAL:


Suzanne D. Case, Chairperson



TMK (1) 2-6-025:008

EXHIBIT 1

EXEMPTION NOTIFICATION

Regarding the preparation of an environmental assessment pursuant to Chapter 343, HRS and Chapter 11-200, HAR

Project Title: Consent to Sublease General Lease S-5805 to Hawaii LGBT Legacy Foundation

Project / Reference No.: GL S-5805

Project Location: Honolulu, Oahu, TMK (1) 2-6-025:008

Project Description: Request Consent to Sublease General Lease S-5805

Chap. 343 Trigger(s): Use of State Land

Exemption Class No.: In accordance with Hawaii Administrative Rule Section 11-200-8(a)(1), and the Exemption List for the Department of Land and Natural Resources approved by the Environmental Council and dated June 5, 2015, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1, that states "Operations, repairs or maintenance of existing structures, facilities, equipment, or topographical features, involving negligible or no expansion or change of use beyond that previously existing".

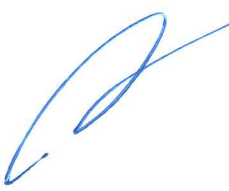
The subject request extends the existing use of the subject premises to serve community services purposes. As such, staff believes that the proposed use would involve negligible or no expansion or change in use of the subject area beyond that previously existing.

Consulted Parties: City and County of Honolulu, Department of Planning and Permitting

Recommendation: It is recommended that the Board find this project will probably have minimal or no significant effect on the environment and is presumed to be exempt from the preparation of an environmental assessment.



Suzanne D. Case, Chairperson



Date 7/8/16

EXHIBIT 2